

Instrument prepared by:

VIRGINIA GAS AND OIL BOARD

Order recorded under:

**CODE OF VIRGINIA
§ 45.1-361.26**

BEFORE THE VIRGINIA GAS AND OIL BOARD

RELIEF SOUGHT: An Order for Disbursement of Escrowed Funds

JURISDICTION: *Code of Virginia* § 45.1-351. (et seq) AND § 45.1-361.22 (et seq)

UNIT/WELL NAME: VC-537521
TRACT(S): Tracts 5
LOCATION: Russell County, Virginia

DOCKET NUMBER: VGOB-09-0616-2541-04

APPLICANTS: EQT Production Company on behalf of Marshall Johnson

HEARING DATE AND LOCATION: Russell County Government Center, Lebanon, Virginia
August 21, 2012

APPEARANCES: Jim Kaiser on behalf of EQT and Sharon M.B. Pigeon, Sr. Assistant Attorney General representing the Virginia Gas and Oil Board.

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 07/21/09, Recorded 09/04/09, Deed Book 710
2. Supplemental Order Executed 02/09/10, Recorded 03/10/10, Deed Book 718.
3. Repooling Order Executed 05/18/10, Recorded 09/26/11, Deed Book 739
4. Supplemental (01) Order Executed 02/16/12, Recorded 03/15/12, Deed Book 745
5. Disbursement (02) Order Executed 07/17/12, Recorded 08/02/12, Deed Book 750
6. Disbursement (03) Order Executed 07/17/12, Recorded 08/02/12, Deed Book 750

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the August 21, 2012 hearing and consider whether to:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to a portion of Tract 5 to Marshall Johnson identified in the attached miscellaneous petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Marshall Johnson, Tract 5 relative to the interests of the Applicants identified in the attached miscellaneous petition.
- (3) Continue the escrow account under this docket number.

FINDINGS: *Code of Virginia* § 45.1-361.22

Applicant has certified and represented to the Board that:

1. The owner of the coal estate for Tract 5 is Range Resources –Pine Mountain for the subject drilling unit.

2. The owner of the gas estate being disbursed for Tract 5 is Marshall Johnson for the subject drilling unit.
3. By letter dated May 21, 2012, Range Resources waives claim to all past or future royalties regarding Marshall Johnson's interest in Tract 5 for the subject drilling unit.

RELIEF GRANTED:

VGOB Approved Disbursement VC-537521 VGOB-09-0116-2541-04			Fractional Ownership in Tract	Net Acreage Ownership in Tract	Royalty Split Agreement	Escrowed Acres Disbursed	Percent of Escrowed Funds Disbursed
Table 1 Tract 5							
Item	Tract	Disbursement Table					
		Total acreage in escrow before disbursement				26.6391000	
	5	Tract 5 (total acreage)	26.6391				
1	5	Marshall Johnson P. O. Box 7411175, Orange City, FL 32774		0.1645	100.0%	0.1645	0.6175%

1. The Escrow Agent is ordered, to within ten (10) days of receipt of this executed order, disburse funds for the unit and applicants detailed in Table 1.
2. The Escrow Agent is ordered to continue the Escrow Account for the Subject Drilling unit based on the attached Revised Exhibit E which replaces all prior Exhibit E's recorded for the Subject Drilling Unit.

CONCLUSION:

Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted **and IT IS SO ORDERED.**

APPEALS:

Appeals: Appeals of this Order may be filed by an adversely affected party within thirty days after service of the Order, pursuant to the provisions of Va. Code Ann. § 45.1-361.9 that provides that any order or decision of the Board may be appealed to the appropriate circuit court where interlocutory relief may also be sought. Any appeal shall be filed in compliance with the provisions of the Administrative Process Act (Va. Code Ann. §§ 2.2-4000 et seq.) and the Rules of the Supreme Court of Virginia.

DONE AND EXECUTED this 15 day of Oct, 2012, by a majority of the Virginia Gas and Oil Board.


 Bradley C. Lambert, Chairman
 Virginia Gas and Oil Board

DONE AND PERFORMED this 15th day of OCT, 2012 BY Order of the Virginia Gas and Oil Board.


 Rick Cooper, Principal Executive to the Staff
 Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA
 COUNTY OF RUSSELL)

Acknowledged on this 15th day of Oct, 2012, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and Rick Cooper, being duly sworn did depose and say that he is Acting Principal Executive to the Staff of the Virginia Gas and Oil Board, that they executed the same and were authorized to do so.


 Diane J. Davis, Notary Public #174394

My commission expire: 09/30/2013



EXHIBIT "E"
V-536901

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
		<u>Gas Estate Only</u>		
2	Walter Hall and Hettie Hall (Heirs) Unknown/Unlocatable Tax I.D 010606	Unleased	0.36000%	0.4100
5	<u>Heirs of Mary J. Hall</u> Tax I.D. Unknown			
	W. Arvel Hall Unlocatable	Unleased	0.56000%	0.6300
	Ocie Adams Unlocatable	Unleased	0.56000%	0.6300
	Charles Hall Unlocatable	Unleased	0.56000%	0.6300
	Total Gas Estate		2.04000000%	2.3000